

**Sylvania Resources Limited ('Sylvania' or the 'Company')**

**ASX, AIM: SLV**

**LANNEX – BOYNTON COURT DECISION, SOUTH AFRICA**

16<sup>th</sup> April 2009

- Boynton withdraws application to contest Lannex tailings dump ownership
- Sylvania awarded full costs by *North Gauteng High Court*, Pretoria
- Lannex operations continue on schedule- steady state production rates on target

**Johannesburg:**

Sylvania Resources Limited ("Sylvania") wishes to announce that:

(a) On 30 March 2009 Boynton Investments (Pty) Limited ("Boynton") issued an urgent application notifying Sylvania of its intention to approach the High Court for an order declaring that Boynton is a co-owner of the tailings, alternatively, the co-owner of the platinum group metals ("the PGMs") contained in the Lannex Tailings Dam situated on the Farm Grootboom in the District of Lydenburg, Mpumulanga, South Africa.

Sylvania has on previous occasions announced the fact that Boynton had claimed rights to the PGM material in the Lannex Dump and that it was in communication with Boynton to resolve the dispute;

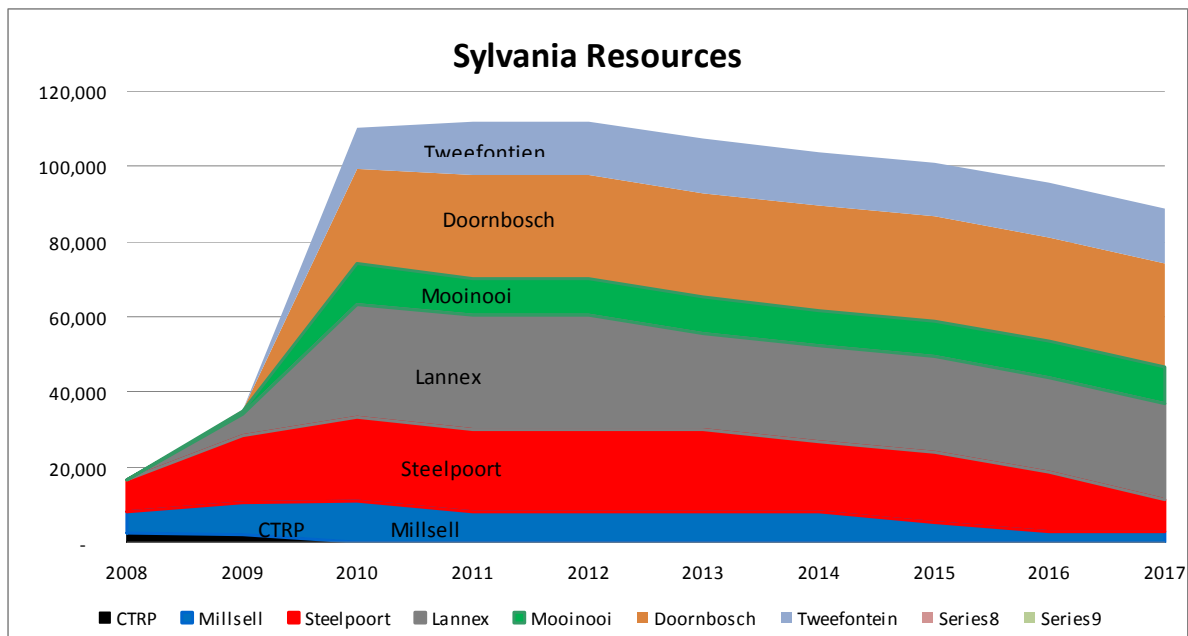
(b) On Thursday, 9 April 2009, Sylvania filed its opposing papers in Court in terms of which it disputed Boynton's claims and requested the Court to dismiss Boynton's urgent application with costs;

(c) On 14 April 2009 Boynton withdrew its application and was ordered by the North Gauteng High Court, Pretoria to pay Sylvania's legal costs including the costs of two counsel appointed by Sylvania to oppose the matter.

Boynton's withdrawal has vindicated Sylvania's longstanding view based on sound legal advice, that Boynton has no standing to claim that it is the co-owner of any of the dump material in the Lannex Dump.

The Lannex Plant is currently in ramp-up phase and will process material from the Lannex Dump and other sources such as current risings from Broken Hill and Spitzkop Mines. The plant remains on schedule to reach steady state levels of production by the end of June 2009, adding significantly to Sylvania's on-going self funded growth profile.

Sylvania's Managing Director, Terry McConnachie, said "I am pleased that the matter has now finally been resolved by the withdrawal by Boynton of its claim to co-ownership of the dump material. Sylvania continues its operations at Lannex and remains on target to reach steady state production levels as forecast by the end of June 2009".



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